

residential land area. Of particular note is the Englewood Wastewater Treatment Plant, which is the third largest publicly owned treatment facility in the State of Colorado. This advanced treatment plant restores wastewater for 25 districts in the Denver Metro area and treats approximately 27 million gallons of wastewater per day.

Englewood is also on the forefront of preserving and maintaining a quality environment. The Englewood Brownfield sites provide excellent opportunities for businesses and investors to reuse and renovate commercial real estate expansion as well as the reuse of land for expansion and redevelopment.

Mr. Speaker, please join me in commending the City of Englewood, Colorado, on the occasion of its 100th Anniversary. Residents of this community enjoy an exceptional quality of life, as they are part of a vibrant and cosmopolitan city that continues build a better future for its citizens and our children.

JOBS AND GROWTH
RECONCILIATION TAX ACT OF 2003

SPEECH OF

HON. MAX SANDLIN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, May 9, 2003

Mr. SANDLIN. Mr. Speaker, I rise today in opposition to H.R. 2, the Jobs and Growth Tax Act of 2003.

Despite the assertions of my Republican colleagues, the Jobs and Growth Tax Act will neither create jobs nor grow the economy. Instead, this legislation increases inequity and unfairness in our tax system and society by drastically redistributing income to the very wealthiest taxpayers.

If the Republican Party was actually interested in stimulating the economy, this legislation would provide tax relief to lower and middle income taxpayers who are likely to spend additional income. By contrast, the richest taxpayers in our society need no extra incentives to consume, and are likely to save, rather than spend, their generous tax cuts.

The Republican tax bill accurately reflects the other party's priorities. While the bill's dividend and capital gains rate reductions will be in effect until 2013, the bill's limited middle class tax relief, including the acceleration of marriage penalty relief and an increase in the child tax credit, expire in three years. The Republicans are effective at paying lip service to the middle class, but completely ineffective in backing up their words with meaningful actions.

While I strongly support tax relief, and was one of only 28 Democrats to support President

Bush's tax cut package [EGTRRA] in 2001, I do not believe that the tax bill before us today will provide the economic stimulus that our country needs. Unfortunately, the Republican tax bill's dividend income tax rate reduction will not increase either short or long term economic growth, as it will have only modest effects on demand in 2003 and would expand budget deficits over the next decade.

According to the Library of Congress's nonpartisan Congressional Research Service [CRS], "using dividend tax reductions to stimulate the economy is unlikely to be very effective." CRS further notes that "the dividend relief proposal is less likely to be successful in stimulating short-run demand than a spending increase or some other tax cuts because it accrues to higher income individuals who may save a larger fraction of the cut."

The country's economic, fiscal, and national security situations have changed significantly since Congress passed the first Bush tax package in 2001. According to the nonpartisan Congressional Budget Office [CBO], in fiscal year [FY] 2000, the US had a budget surplus of \$236 billion. The CBO currently projects a budget deficit in FY2003 of \$248 billion. The White House's Office of Management and Budget [OMB] estimates a higher deficit for the current fiscal year [\$304 billion] if Congress enacts the president's tax and spending proposals. The very first bill I cosponsored in Congress would have amended the U.S. Constitution to require a balanced Federal budget. The Federal Government needs to operate under the same principles of fiscal responsibility as the states, most of which are constitutionally required to produce balanced budgets. The increases in our budget deficits and national debt are counterproductive and will only serve to damage long-term economic growth prospects.

Further, according to the Bureau of Labor Statistics, the unemployment rate in Texas has risen from 4.3 percent in January 2001 to 6.7 percent in March 2003. 112,000 jobs have been lost across Texas since January 2001, and many working Americans have not been able to find new employment. Texas has the fourth highest unemployment rate in the country, and the Republican tax bill will do more harm than good for my constituents.

In Texas, under the President's so-called stimulus plan, the average tax cut for the top 1 percent of taxpayers would be \$32,571. The average tax cut for the middle 20 percent of taxpayers, the definition of the middle class, would have been \$283. 4.4 million Texans would have received \$100 or less under the Bush plan, and of those, 2.9 million people would have realized no benefits at all. Like the Bush plan, the Republican tax bill under consideration today drastically redistributes wealth

toward the very richest taxpayers, and increases the tax burden on the middle class and poor.

A congressional study on the Bush "growth" package estimates that the average East Texas taxpayer would receive \$30 from the package's dividend proposal. The Republican bill's dividend tax cut will provide equally ineffective relief. The negative impact of higher budget deficits, and consequently higher long-term interest rates, far outweighs any potential short-term gains from an elimination of taxation on dividend income.

I will continue to enthusiastically support reasonable tax relief that does not threaten the fiscal future of our country. I support many of the individual provisions of the Republican tax bill, but believe that Congress and the President have a responsibility to work toward balanced budgets and should avoid passing the costs of large, unproductive tax cuts on to our children and grandchildren.

TRIBUTE TO MR. KYLE
ROGACHENKO

HON. ROBERT A. BRADY

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 14, 2003

Mr. BRADY of Pennsylvania. Mr. Speaker, I rise to honor the accomplishments of Kyle Rogachenko, a 14-year-old whose commitment, discipline, and motivation have made him a well-known competitor in the upper echelons of the international sailing community.

Mr. Rogachenko, a 9th grader at Methacton High School in Worcester, Pennsylvania, began his sailing career at age 6 at the Toms River Yacht Club in New Jersey. Included on his sailing resume are his participation on two World Teams, three South American Teams, and three North American Teams. Additionally, he was the top American finisher at the 40th annual IOCA World Championship regatta in 2001. For his age group, Mr. Rogachenko is the top young sailor in the United States.

Throughout the past few years, Mr. Rogachenko has had an extensive travel schedule that has provided him with many rewarding experiences. He has continually displayed all of the attributes of a true leader. I am proud that this young man hopes to attend the United States Naval Academy upon his completion of high school.

It is a privilege to recognize such a fine young man. I ask you and my other distinguished colleagues to join me in commending Pennsylvania's own, Kyle Rogachenko.